

NEW NUMBER

A
B

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
MILTON C. GRACE*
JAMES C. MARTIN, JR.*

*NOT A MEMBER OF D.C. BAR
*ALSO ADMITTED IN NEW YORK
*ALSO ADMITTED IN OHIO
*ALSO ADMITTED IN MARYLAND

LAW OFFICES
ALVORD AND ALVORD

200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.
20006-2973

14742

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

MAILING ADDRESS
"ALVORD"

TELEPHONE
CODE 202
393-2266

TELEX
440367 A AND A

RECORDATION NO. 14742
FILED 1425

JUL 26 1985 -2 25 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 14742
FILED 1425

BY HAND DELIVERY

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

JUL 26 1985 -2 25 PM

INTERSTATE COMMERCE COMMISSION

S-297A039

Date JUL 26 1985

Fee \$ 170.00

ICC Washington, D. C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are two copies each of a UCC Security Agreement - Inventory (Limited Ability to Lease) dated March 1, 1985, Addendum One to UCC Security Agreement - Inventory dated March 1, 1985, and Assignment dated March 1, 1985, all primary documents under the provisions of the Commission's Rules for the Recordation of Documents.

The railroad equipment covered by the enclosed documents is inventory collateral, including the locomotives set forth in Schedule A attached hereto and made a part hereof.

The names and addresses of the parties to the enclosed documents are:

Secured Party: Westinghouse Credit Corporation
P.O. Box 819070
Dallas, Texas 75381

Debtor: Inman Service Company, Inc.
115 North Main
Baytown, Texas 77520

Kindly return a stamped copy of each of the enclosed documents to Charles T. Kappler, Esq., Alvord and Alvord, 200 World Center Building, 918 16th Street, N.W., Washington, D.C., 20006.

ICC OFFICE OF
THE SECRETARY
JUL 26 2 32 PM '85
MOTOR OPERATING UNIT

Countersigned by 18 County
C.T. Kappler

Mr. James H. Bayne
Page Two
July 24, 1985

Also enclosed is a check in the amount of \$30.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

A short summary of the enclosed primary documents to appear in the Commission's Index is:

UCC Security Agreement - Inventory (Limited Ability to Lease), Addendum One to UCC Security Agreement - Inventory and Assignment each dated March 1, 1985, and between Westinghouse Credit Corporation, Secured Party, and Inman Service Company, Inc., Debtor, covering inventory collateral, including locomotives.

Very truly yours,



Charles T. Kappler
Attorney for the purpose of
this filing for:


Westinghouse Credit Corporation

CTK/mlt
Enclosures

SCHEDULE A

| <u>Unit Number</u> | <u>Model Number</u> | <u>Serial Number</u> |
|--------------------|---------------------|----------------------|
| #129 | EMD SW9 | 4002-5 |
| #133 | EMD SW9 | 4002-9 |
| #134 | EMD SW9 | 6182-1 |
| #135 | EMD SW9 | 6182-3 |
| #137 | EMD SW9 | 6182-4 |
| #146 | EMD SW9 | 6182-13 |
| #149 | EMD SW9 | 6182-16 |
| #159 | EMD SW9 | 4098-6 |
| #160 | EMD SW9 | 4098-7 |
| #174 | EMD SW9 | 4098-21 |
| #177 | EMD SW9 | 4098-24 |
| #187 | EMD SW9 | 4098-34 |
| #904 | EMD SW9 | E-1132-3 |
| #905 | EMD SW9 | E-1132-4 |
| #907 | EMD SW9 | 6346-2 |

This schedule is part of the UCC Security Agreement - Inventory dated March 1, 1985 and is incorporated therein by reference.



Initials

JUL 26 1985 -2 25 PM

UCC SECURITY AGREEMENT - INTERSTATE COMMERCE COMMISSION
INVENTORY (LIMITED ABILITY TO LEASE)

1. Parties

The parties to this agreement are WESTINGHOUSE CREDIT CORPORATION (WCC) and each Dealer (jointly and severally if more than one) who has signed at the end of this writing.

2. Advances and Collateral

At the Dealer's request, WCC, at its option, will advance funds to be secured by inventory collateral. For the purposes of this agreement and as security for all present and future obligations to WCC including but not limited to a certain promissory note from the Dealer to WCC in the amount of \$600,000.00 and dated MARCH 1, 1985, together with certain other similar promissory notes made under a Revolving Line of Credit Agreement between the Dealer and WCC, which notes will be made from time to time and which, in the aggregate will not exceed \$500,000.00, Dealer grants WCC a continuing security interest in inventory against which WCC has advanced, all proceeds of such inventory and all returned and repossessed goods. Each advance made under this agreement shall be evidenced by a promissory note executed by Dealer. The note shall include the time and manner of payment of the advance for which the note is executed and the charges. If the advance is purchase money for new inventory items, each invoice which covers inventory items for which that advance is made shall be attached to a note evidencing that advance. If the advance is purchase money for used inventory items, a schedule identifying the inventory items for which that advance is made, together with a bill or bills of sale covering these inventory items shall be attached to the note evidencing that advance. If the advance is non-purchase money, a schedule identifying the inventory items encumbered to secure the advance together with a bill or bills of sale covering the inventory items shall be attached to the note evidencing that advance. The inventory collateral under this agreement consists of:

Locomotives as listed on Schedule A including all replacements, modifications, substitutions, attachments and additions thereto and all proceeds of whatever nature arising therefrom

3. Additional Collateral

As additional collateral, Dealer grants WCC a security interest in all present and future leases covering inventory against which WCC has advanced, together with present and future credits and rental payments from Lessees. Dealer authorizes WCC to notify each lessee to pay rental payments directly to WCC and waives all right to claim damage by reason of such notification.

4. Dealer's Duties

So long as Dealer is not in default on any obligation to WCC, Dealer may not sell, but may lease the inventory to certain lessees as evidenced by Locomotive Leases assigned to WCC in the ordinary course of business but may not otherwise part with possession of or encumber any item of inventory collateral against which WCC has advanced without WCC's prior written consent.

Promptly after each item of inventory against which WCC has advanced is leased, Dealer will deliver the original lease document to WCC or will immediately stamp on the lease account card, "PLEGGED TO WESTINGHOUSE CREDIT CORPORATION". WCC will have no duties under any lease regardless of the wording of any document. Whether or not any inventory is sold or leased, Dealer must pay WCC the total amount due on each advance according to the terms of the note evidencing such advance.

Time is of the essence of Dealer's duties but WCC's failure to insist upon strict compliance with this agreement shall not be deemed a waiver of any of WCC's rights. As further assurance of this, Dealer agrees to waive any claim or defense that might be or become available to him under Section 1-201 (3), Section 1-201 (11) or Section 1-205 of the Uniform Commercial Code as in effect in the jurisdiction where the inventory is kept. Dealer will sign all papers necessary to evidence and perfect the security interests granted and will bear all costs of perfection.

Dealer agrees that WCC, at any time and without notice, may apply or reapply any payments or monies received from Dealer on account of advances made by WCC, so that all such payments or monies shall be applied in payment of Dealer's obligation respecting inventory sold or leased in which WCC was granted a security interest.

5. Inventory Records and Inspection


Dealer will keep accurate, complete records as to inventory including the location of leased inventory and allow WCC at all reasonable times to inspect the inventory and to inspect and make extracts from his books and records.

6. Taxes, Insurance, Transportation and Storage

Dealer will report and pay all taxes on inventory promptly when due; pay all transportation and storage charges on inventory; pay all rents, if any, for use of premises on which any inventory in which WCC has a security interest is kept; and keep the inventory insured for full value against all insurable risks with loss payable to WCC as its interest may appear under policies subject to cancellation or change only upon 10 days' written notice to WCC.

7. Defaults and Remedies

Dealer shall be in default: if he fails to pay when due any amount payable by him to WCC or fails to fulfill any agreement with WCC; or if he assigns for the benefit of creditors, or ceases to do business as a going concern; or if a petition under the Bankruptcy Act, as amended, or for a receiver is filed by or against him. Upon Dealer's default, WCC shall have all remedies available under the Uniform Commercial Code as in effect in the jurisdiction where enforcement is sought. Dealer agrees to pay reasonable attorney fees and legal expenses incurred by WCC after default in enforcing this agreement. To the extent not prohibited by law, Dealer waives all valuation and exemption laws and releases all right of appeal and stay of execution.



sufficient to cover all of his obligations to WCC. Five days' written notice of public sale date or date after which private sale may occur shall be reasonable notice. WCC will not be chargeable with responsibility for the accuracy or validity of any document or for the existence of value of any inventory.

8. Termination Statement

Upon payment in full and after receiving Dealer's written request, WCC shall have 20 working days in which to furnish any legally-required termination statement.

9. Modification

This agreement is an integrated writing and cannot be changed by conduct or spoken words, but only by a writing signed by the party to be charged. No modification of this agreement shall be valid unless confirmed in writing by a representative of WCC who has actual authority to approve such modification.

10. Termination

AGG
The Revolving Line of Credit *WCC*
This agreement shall bind successors in interest of each party and shall continue until terminated by 30 days' written notice to each non-terminating party but such termination shall not change rights that have accrued prior to the effective date of termination stated in the notice.

DEALER ACKNOWLEDGES RECEIPT OF A COPY OF THIS SECURITY AGREEMENT.

Effective as of the 1st day of MARCH, 1985.

INMAN SERVICE COMPANY, INC.
Dealer/Debtor

By X *[Signature]*

Its Executive V. Pres.

[Signature]
WITNESS

WESTINGHOUSE CREDIT CORPORATION
Secured Party

By *[Signature]*

See Addendum One, attached hereto and made a part hereof.

SCHEDULE A

| <u>Unit Number</u> | <u>Model Number</u> | <u>Serial Number</u> |
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| #907 | EMD SW9 | 6346-2 |

This schedule is part of the UCC Security Agreement - Inventory dated March 1, 1985 and is incorporated therein by reference.



Initials

State of: Texas)

County of: Harris) SS:

On this 1st day of March, 1985, before me personally appeared, Vince J. Jarran, to me personally known, who being by me duly sworn, says the (s) he is the Executive Vice President of Jarran Service Co. Inc., that the seal affixed to the attached instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s) he acknowledged that the execution of the attached instrument was the free act and deed of said corporation.

(SEAL)


NOTARY PUBLIC

MY COMMISSION EXPIRES: 2/25/88

1 7/19

State of Texas)
) SS:
County of Dallas)

On this 1st day of March 1985, before me personally appeared, Arthur G. Abello, to me personally known, who being by me duly sworn, says that he is the Division Credit Manager of Westinghouse Credit Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the executives of the attached instrument was the free act and deed of said corporation.

Sara Broughton
Notary Public

My commission expires

2/16/87